

Northern District of California (the "Bankruptcy Court"), Case No. 01-30127. Both NorthPoint and NCG are Delaware corporations. NorthPoint was certified by the Commission to provide resold and facilities-based local exchange telecommunications services in South Carolina on October 12, 1999, in Docket No. 1999-279-C, Order No. 1999-720. AT&T's subsidiaries are certificated as competitive local exchange carriers ("CLECs") or the functional equivalent thereof, in all fifty states, including South Carolina.

On March 22, 2001, the Bankruptcy court certified AT&T as the successful bidder in the Bankruptcy Court's auction. The Bankruptcy Court then issued an order ("the Sale Order"), approving the sale of substantially all of NorthPoint's assets to AT&T. The assets include collocation space, Operating Support Systems and various DSL equipment (DSLAMs, frames, cages, etc.) located in South Carolina and other states. NorthPoint requested the Commission to approve the transfer of these assets to AT&T and cancel NorthPoint's Certificate of Public Convenience and Necessity.

NorthPoint does not provide dial tone voice service to consumers. Its business has been high speed Digital Subscriber Line ("DSL") data service previously determined by the Federal Communications Commission to be an interstate special access service. NorthPoint has no retail customers; its only customers are businesses that resell NorthPoint DSL services. NorthPoint holds no customer deposits of any kind. The Asset Purchase Agreement does not include rights to NorthPoint's customers.

By letter dated April 12, 2001, the Commission's Executive Director instructed NorthPoint to publish a prepared Notice of Filing in newspapers of general circulation in

the areas affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. NorthPoint filed Affidavits of Publication as proof that it had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application

MOTION FOR EXPEDITED REVIEW

Subsequent to notice of the Application being published and after the return date expired with no intervention or opposition, NorthPoint requested expedited review and disposition of the Application. Along with the Motion for Expedited Review, NorthPoint filed verified testimony to support the Application. The matter was brought then to the Commission for consideration.

Upon consideration of NorthPoint's request for expedited review, the Commission finds that expedited review should be granted. By its request, NorthPoint waives its right to a formal hearing. The Commission finds that notice of the Application was properly afforded to the public and that no interested person sought to become a party to the proceeding. The Commission finds that procedural due process was afforded in this matter and further finds that NorthPoint made a knowing waiver of a formal hearing. Therefore, the Commission will consider the Application in the context of its regularly scheduled weekly meeting, with court reporter present, and for purposes of the expedited review, the Commission will deem the examination of the Application and

verified testimony during the course of the Commission's regularly scheduled meeting with court reporter present as a hearing on this matter

EXAMINATION OF THE APPLICATION AND VERIFIED TESTIMONY

In accordance with the order of the Bankruptcy Court, NorthPoint proposes to transfer its assets located in South Carolina and elsewhere to AT&T. The assets include collocation space, Operating Support Systems and various DSL equipment (DSLAMs, frames, cages, etc.) located in South Carolina and other states. Because NorthPoint did not provide DSL services to customers in the state of South Carolina, the transaction will not impact South Carolina customers.

According to the Application and the verified testimony of Michael E. Olsen, Vice President, Deputy General Counsel of NorthPoint, NorthPoint is a wholly owned subsidiary of NorthPoint Communications Group, Inc. He testified that NCG and NorthPoint filed for Chapter 11 bankruptcy protection on January 16, 2001, and have since been operating under Chapter 11 of the United States Bankruptcy Code subject to the jurisdiction of the United States Bankruptcy Court for the Northern District of California, case No. 01-30127. Mr. Olsen stated that both NorthPoint and NCG are Delaware corporations. He further stated that NorthPoint's assets which are currently not in use due to NorthPoint's bankruptcy, will be owned by AT&T, a going concern he described as being in a far better position than NorthPoint to put the assets to use. Mr. Olsen testified that after the transaction has closed, AT&T will own assets useful for the provision of DSL services, and will be in a better position to provide DSL services in South Carolina.

Upon review and consideration of the Application, the verified testimony of Mr. Olsen, and the applicable law, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. NorthPoint is a Delaware corporation whose parent company is NorthPoint Communications Group, Inc., also a Delaware corporation.
2. NorthPoint was authorized to provide resold and facilities-based local exchange telecommunications services in South Carolina in Docket No. 1999-279-C, Order No. 1999-720, dated October 12, 1999.
3. On January 16, 2001, NorthPoint Communications Group, Inc. and NorthPoint filed for Chapter 11 bankruptcy protection and have been operating under Chapter 11 of the United States Bankruptcy Code subject to the jurisdiction of the United States Bankruptcy Court for the Northern District of California, Case No. 01-30127.
4. On March 22, 2001, the Bankruptcy Court certified AT&T as the successful bidder in the Bankruptcy Court's auction. The Bankruptcy Court then issued an order approving the sale of substantially all of NorthPoint's assets to AT&T.
5. The assets that NorthPoint requests be transferred to AT&T include collocation space, Operating Support Systems and various DSL equipment (DSLAMs, frames, cages, etc.) located in South Carolina and other states.
6. The Asset Purchase Agreement does not include rights to NorthPoint's customers.

7. NorthPoint has no retail customers; its only customers are businesses that resell NorthPoint DSL services.

8. NorthPoint does not provide dial tone voice service to consumers. Its business has been high speed Digital Subscriber Line (DSL) data service previously determined by the Federal Communications Commission to be interstate special access service.

9. NorthPoint did not provide DSL services to customers in the state of South Carolina.

10. The asset transfer will be a seamless transaction in the State of South Carolina.

CONCLUSIONS OF LAW

1. AT&T is experienced in providing telecommunications services and desires to expand its operations in South Carolina and elsewhere.

2. Based on the above Findings of Fact, the Commission hereby determines that the Application filed by NorthPoint requesting Commission approval of the transfer of assets will not adversely affect the public interest, and therefore, the Commission approves the requested asset transfer.

3. The Commission confirms the United States Bankruptcy Court for the District of Northern California's Orders of March 22, 2001, approving the sale of substantially all of NorthPoint's assets to AT&T.

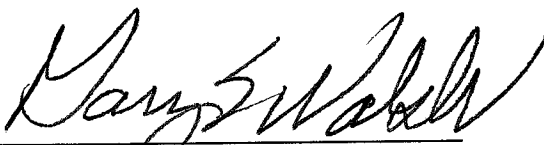
IT IS THEREFORE ORDERED THAT:

1. The Application of NorthPoint for approval of a transfer of assets to AT&T is hereby approved.
2. The Commission confirms the Bankruptcy Court Orders.
3. The Certificate of Public Convenience and Necessity that was granted to NorthPoint Communications, Inc. by this Commission in Docket No. 1999-279-C, Order No. 1999-720, dated October 12, 1999, is hereby cancelled.
4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)